

**2007 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
REVENUE STABILIZATION AND TAX POLICY COMMITTEE**

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Work Plan and Focus for 2007

The revenue stabilization and tax policy committee is a statutorily created joint interim legislative committee. Pursuant to Section 2-16-3 NMSA 1978, the committee is directed to "examine the statutes, constitutional provisions, regulations and court decisions governing revenue stabilization and tax policy in New Mexico and recommend legislation or changes if any are found to be necessary . . .".

A. In the 2007 interim, the committee will:

1. review the work and recommendations of the blue ribbon tax task force and then examine the fairness, equity and effectiveness of the tax structure, including the balance of revenue collections from property taxes, personal income taxes, corporate income taxes and gross receipts taxes;
2. become familiar with revenue projections and any anticipated or observed trends

occurring in the revenue outlook for the upcoming year;

3. review existing tax credits or incentives and review the effectiveness of those credits or incentives already in effect; and

4. work with the taxation and revenue department and the economic and rural development committee to provide a tax impact report to the legislature on economic development tax credits, deductions or incentives to be proposed by the economic and rural development committee in the 2008 session.

5. identify options for addressing the issuance and transfer of liquor licenses and liability of liquor licensees and review the regulatory provisions controlling the issuance of picnic licenses;

6. review revenue sources for public school funding;

7. review status of dual taxation by the state and Indian tribes and consider developing a global formula to be used to eliminate dual taxation when it is identified; and

8. familiarize members with concepts of taxation and expenditure limits and consider developing a process to return funds to taxpayers when excess revenue comes into the state.

B. Other matters that will be addressed by the committee include:

1. taxation and revenue department legislative proposals to be introduced in the 2008 legislative session;

2. periodic updates on the progress of implementation of legislation adopted in the 2007 legislative session that fall within the purview of the committee;

3. development of a long-range plan for tax policy and tax changes in the state;

4. a review of the effect on tax revenue or tax policy of holding local governments harmless for unlimited time into the future when eliminating gross receipts taxes;

5. updates on the national effort to streamline sales taxes and sales tax policy;

6. discussions of the effects of the cap on property valuations and evaluation of the cap's effectiveness and a review of the collections process used by the taxation and revenue department and local governments to collect delinquent property taxes and consideration of alternatives, including contracting with the private sector to make collections;

7. a review of the collection, revenue impact, distribution and expenditure of gasoline

and other fuel taxes and a comparison with the needs and uses identified;

8. information on various forms of tax reform of interest to the committee;
and

9. a review of oversight of and access to data from local gross receipts tax collections and distributions.

MEETING SCHEDULE

<u>Date</u>	<u>Location</u>
June 15 (Fr)	Santa Fe
July 25-26 (W-Th)	Farmington
August 29-30 (W-Th)	Clovis
September 26-27 (W-Th)	Ruidoso
October 18-19 (Th-Fr)	Santa Fe
November 19-20 (M-Tu)	Santa Fe
December 12-13 (W-Th)	Santa Fe